

Phone: (505) 827-7750

Gary E. Johnson
Governor

Robin Dozier Otten
Secretary-Designate

April 3, 2002

Theresa Sachs, Technical Director
Centers for Medicare and Medicaid Services
Division of Integrated Health Systems
Mail Stop: S2-01-16
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Ms. Sachs:

The State of New Mexico is pleased to submit the attached Health Insurance Flexibility and Accountability (HIFA) waiver. Upon approval, this waiver will provide health care coverage to an estimated 40,000 uninsured adults in New Mexico with incomes below 200 percent of the federal poverty level. In addition, the waiver will be allotment neutral during Phase I through use of the state's unspent S-CHIP funds.

This proposal has been designed through a grant from the Robert Wood Johnson's State Coverage Initiative (SCI) program, and reflects a dynamic partnership of New Mexico's public and private resources. The national SCI program has characterized our project as "the next generation employer buy-in" approach, and we believe we have included some unique design features that will result in a substantial uptake of our product.

We have already provided our proposal to you electronically. Please do not hesitate to contact me at (505) 827-7766 or Robin Hunn our SCI Coordinator at (505) 254-8430 if you have any questions about our proposal. We look forward to working with you as we proceed through the waiver process and project implementation. You and other CMS staff have been so helpful to during the waiver design process, and we appreciate your technical guidance and assistance.

Sincerely,

Robin Dozier Otten
Secretary-Designate